

NEWS RELEASE

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08-01

KENAI MAN PLEADS GUILTY TO WIRE FRAUD IN FEDERAL COURT

Anchorage, Alaska – United States Attorney Nelson P. Cohen announced today, January 7, 2008, that Michael A. Spisak, a resident of Kenai Alaska, d.b.a. Bellair, Inc., pleaded guilty in federal court to a charge of wire fraud.

Spisak, age 45, of 49203 Paradise Lane, Kenai, Alaska, pleaded guilty before Chief United States District Court Judge John W. Sedwick.

In connection with the guilty plea, Assistant United States Attorney Retta Randall advised the court that between July 2003 and February 2004, Spisak, d.b.a. Bellair, Inc., falsified data to the U.S. Department of Transportation (DOT) in Washington, D.C. in order to receive increased mail tender under the Rural Service Improvement Act (RSIA) of 2002. RSIA established rules governing the process by which the United States Postal Service (USPS) tendered nonpriority bypass mail to qualified air carriers. The goal of RSIA is to reward Alaskan air carriers who best serve air freight shippers with the financial reward associated with delivering mail tender.

Spisak admitted falsely revising Bellair's T-100 Market and Segment report for February 2, 2004, by inflating the amount of freight service Bellair hauled in its markets of interest, specifically to Anaktuvuk Pass, Huslia, Galena, Kaltag, Nulato, Point Hope, Shungnak, and Selawik. The report was transmitted via email to the DOT. As a result, Bellair received payments from the USPS for the delivery of mail for which it did not qualify.

Judge Sedwick scheduled sentencing for March 19, 2008, at 8:30 a.m. The law provides for a total sentence of 20 years in prison, a fine of \$250,000, or both. Under the Federal Sentencing Guidelines, the actual sentence imposed is based upon the seriousness of the offenses and the criminal history, if any, of the defendant.

Pending sentencing, the court continued Spisak on bond.

The United States Postal Service, Office of Inspector General, conducted the investigation that led to the prosecution of Spisak.

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